2.5 Funds Management

The primary function of Funds Management will be to manage and control the State's legal budget, while also allowing agencies to expand beyond the legal basis budget for their individual needs. In the SCEIS solution, this is accomplished through the combination of funds management master data such as fund, funds center, functional area, commitment item, funded program and grant. The Funds Management module provides integrated, on-line, real-time functionality for processing, recording and maintaining the budgetary control for accounting transactions of the business. All other functional components, organization units and elements are then linked with the budgetary organization, which ensures the data flow between budgetary accounting and other components of the SCEIS solution.

Budgetary accounting is the central control method used by the public sector primarily to check and control available financial resources. It also reflects the execution of the political will, as expressed in the budgets approved by the legislative bodies. This results in two basic principles:

- Total expenditure must not exceed total available resources

- Legal commitments of funds must not exceed the approved expenditure budget

An internal agency or department is a breakdown of an organization's internal responsibility structure on a fairly high level. These will be represented in the SCEIS solution as business areas. Fund accounting provides for full sets of financial statements for each fund as well as for each agency.

The cornerstone for fund accounting is the ability to balance every financial accounting transaction by fund and business area. This is performed automatically in the SCEIS solution enabling full integration of fund accounting with other transactions using the split processor.

In addition to financial statements by fund and agency, fund accounting also requires that revenues, expenses, and fixed assets be identifiable by functional activity, which may or may not be in alignment with the internal agencies. This includes the ability to perform cost and project accounting not only by organization, but also by fund and functional area. Also, because reporting requirements are different and can change over time, lower-level funds and functional activities must be able to be flexibly grouped to meet both internal and external reporting requirements.

Because the State will be using various accounting methods for funds, it is also necessary for these accounting methods to be reconciled. The SCEIS solution includes the ability to automatically reconcile the various accounting methods through the general ledger postings and creation of reconciliation reports using the report writer functionality.

The following section summarizes the decisions made for use of the structures within Funds Management and the design decisions and implementation considerations for budgetary control.

2.5.1 Organizational Structures

Funds management organizational units and their descriptions:

- **Funds Management Area** - The central organizational unit used in Funds Management. Funds management areas subdivide an organization into units in which the State can conduct independent funds management. In addition, funds management area is used to represent similar budgetary accounting and control rules. A financial management area contains settings that impact master data and/or transactions within that area. Since the State agencies operate under a single set of budgetary guidance, the State will have a single funds management area (SC01).

2.5.2 Budget Execution

Objective

The budget execution process is designed to ensure that budgeted funds are spent to carry out the goals and objectives of the State, as approved by the Legislature, within the funding limitations that were appropriated. The main objective is to have timely recognition and visibility of revenues, commitments, and actual expenditures in their ultimate funding source. This will help managers proactively plan their spending and therefore accomplish achieving the programmatic goals within the funding limitations.

Process Definition

Master Data

Because fund accounting includes many different components, integration is critical for proper configuration and use of this functionality in compliance with Generally Accepted Accounting Principles (GAAP), including the requirements of GASB Statements 34 and 35. The master data elements used in Funds Management are:

- Fund

- Funds Center

- Functional Area

- Commitment Item

- Grant

- Funded Program

These elements are referred to as 'dimensions,' providing the State with a multidimensional structure for defining and evaluating the funds managed by the State. Account assignment elements must always have a concrete value. A 'SPACE/BLANK' is not accepted as a value by the system. A clear assignment must be possible so as to avoid problems when deriving dimensions. This is only possible using concrete values. Therefore the State will use all six dimensions for every posting.

Fund

A fund is a separate and distinct fiscal or accounting object containing a complete self-balancing set of accounts used to distinguish cash and other financial resources, together with associated liabilities and residual equities. An agency can also set up funds at a lower level than those required for external reporting, via the use of predefined fund groups. Funds are classified into fund types, each with distinct accounting and reporting requirements. In order to properly manage funds, the SCEIS solution will contain organizational structures, master data, and detailed processes, tailored to the State's needs.

Funds can be used to subdivide budgets and funds assignments further, including the management of funds from secondary sources. The funds management derivation tool will be used to flexibly link funds to the related cost centers, orders, or projects in order to automatically default a relevant fund, which can then be changed if a different funding source is required. The State will define all derivation activities during Realization.

The State can group funds according to various criteria in order to fulfill various accounting and reporting requirements. Fund groups can further be used to build fund hierarchies, which summarize similar accounting treatments and objectives according to the particular requirements of the organization. The individual funds form the lowest hierarchical level. The State can create any number of fund groups, and structure them according to internal or external accounting and reporting viewpoints. Using fund groups, users can carry out financial reporting evaluations for

each view. They also support cost accounting processes during planning and internal allocations. Fund groups cannot be used for budgeting. However, the State will use fund groups as a means for accumulating and reporting for CAFR (Comprehensive Annual Financial Report) purposes.

Funds Center

A funds center is a clearly defined area of responsibility in Funds Management. Funds centers are arranged in a multilevel hierarchy in the exact manner that agencies are arranged organizationally. Funds centers are used to represent organizational units, areas of responsibility, departments, or projects and are arranged in a hierarchy. The State will have only one funds center hierarchy that includes the State at the top of the hierarchy and branching down into individual agencies. Each agency will be further defined in their branch of the hierarchy.

As with the fund, the State can use the funds management derivation tool to link a funds center with the related cost center, order, or project in order to automatically derive the relevant funds center. The State will define all derivation activities during Realization. Employees must be identified as being responsible for funds centers in the same manner as cost centers. In this way, the State can use availability control and workflow techniques to notify an employee when budgets have been or will be exceeded, by sending e-mail to their inbox.

The State will have a 1:1 relationship between funds centers and cost centers. Each agency will be responsible for mapping their organization to a funds center/cost center hierarchy during their agency implementation. Funds centers are ten characters in length. The first four characters will represent the business area followed by a breakdown of the agency's organizational structure using the remaining six characters.

Functional Area

Functional area is integrated with all postings in Financial Accounting, Controlling, and Funds Management. The State can group functional areas in various ways to facilitate budgeting, cost allocation, internal financial management, and external financial reporting.

An example of the functional structure of the State could be:

- General Government

- Administration of Justice

- Education

- Transportation

- Health and Environment

- Social Services

- Resources and Economic Development

The State can use the funds management derivation tool to automatically specify the functional area based on a direct link with the related cost centers, orders, or projects. The State will define all derivation activities during Realization.

Functional areas are also structures that identify and classify financial transactions by overall purpose, objective, function and/or mission for accomplishing major services or regulatory responsibilities. Accounting for activities as required by GASB Statements 34 and 35 can be accomplished through functional areas. Functional areas are also used for activity-based costing and management.

The State can group functional areas according to various criteria, in order to fulfill various accounting and reporting requirements. The State can create any number of functional area groups, and structure them according to internal or external accounting and reporting viewpoints. Using functional area groups, the State can carry out financial reporting evaluations for each view.

The State will map its current STARS mini code for function to functional area. Functional area is sixteen characters in length and will be structured in the following manner. Every two characters will represent a different level in the functional area.

- Characters 1 and 2 represent Function level

- Characters 3 and 4 represent Sub-Function level

- Characters 5 and 6 represent Process level

- Characters 7 and 8 represent Sub-Process level

- Characters 9 and 10 represent Activity level

- Characters 11 and 12 represent Sub-Activity level

- Characters 13 and 14 represent Task level

- Characters 15 and 16 represent Sub-Task level

For example, FNFMFSACCASTSBPO could represent the sub-task of the balance sheet preparation where:

- FN=Finance

- FM=Financial Management

- FS=Financial Services

- AC=Financial Accounting

- CA=CAFR Preparation

- ST=Financial Statement Preparation

- SB=Balance Sheet Preparation

- PO=Prepare

Functional areas are the single most important element in the SCEIS solution for activity based budgeting. Use of the functional area in this manner has been included as a 'Best Practice' by SAP.

Commitment Item

Commitment items represent the financial grouping of expenditures and revenues within a funds management area. Commitment items represent the categories or classifications of fund equity, revenues, expenses and encumbrances at the lowest level of detail necessary for internal and external reporting. The commitment items will be derived directly from the general ledger account in Financial Accounting or from the cost element in Controlling. Derivation rules enable the links for deriving commitment items automatically, allowing transaction data to be updated directly in Funds Management without further manual intervention. The State will define all derivation activities during Realization. The State will have a 1:1 relationship between commitment items and general ledger accounts.

The commitment item category defines the order according to balances, revenues or expenditures. They are all divided into different categories: revenue items, expenditure items, balance items, balance commitment items and the clarification worklist. The worklist shows the division of the

commitment items. The State will create one or more hierarchies for each category of commitment items.

Commitment items classify the budget according to revenues and expenditures. The financial transaction and item category (identified on the commitment item master record) are control parameters used to define the meaning of a commitment item. The financial transaction represents the business transaction for upstream application components. The item category stipulates whether users are working with:

- Revenue items

- Expenditure items

- Cash balance items

For ease of use, users can group commitment items into commitment item groups. A commitment item can have the indicator "Negative Budget." This means that it is possible to enter negative budget in the corresponding funds management account assignments. For example, payroll postings would require this indicator to allow payroll processing even in the event of exceeding budgets. Posting to commitment item groups is not possible.

The commitment items will take the same character identity as the corresponding general ledger accounts.

Grant

A grant is an award given to eligible entities by foundations or other institutions based on specific criteria. From the grantor / sponsor perspective, a grant is regarded as a legal instrument used to establish a funding relationship in order to carry out a public purpose in which the sponsor does not expect to be substantially involved.

Grants represent lower-level funding instruments used to document, control, and report on the results of an agreement made between a sponsor and the organization. A full set of financial statements is possible for each grant.

The State will create grant master data on an as needed basis. Please see the Grants Management section of this Blueprint for more specific grant related information.

Funded Program

The purpose of a funded program is to define a time frame and specific activities for funding control. This can vary from simple activities to long complex projects. Funded programs can cross an organization's fiscal years, funding sources, and organizational units. This enables the State to get a clear picture of the program-based or project-related grouping of the State's resources and related expenditures in addition to the functional area perspective.

A funded program can be budgeted but cannot be entered directly on a transaction. The account assignment is always derived from another account assignment object with a posting, for example from a controlling order or WBS (work breakdown structure) element. The State will define all derivation activities during Realization.

Funded programs represent lower-level internal programs or initiatives, which represent a plan or system under which actions may be taken to achieve specific goals.

Funded programs are twenty-four characters in length and are typically text used to identify the specific program being budgeted. The State will create funded program master data as needed.

Period-Based Encumbrance Tracking (PBET)

The State requires that no changes be made to information after a fiscal period is closed for posting. This is not only true for financial accounting, but also for budgetary accounting. Period-based encumbrance tracking (PBET) provides for this requirement.

PBET enables the State to control posting periods for any or all documents updating Funds Management, as well as for different funds management account assignments. PBET also allows prior period corrections to obligatory documents, if changed amounts must be reflected in the prior period and not just in the current period.

The State will use PBET ensuring that historical periods remain static and requiring that all changes be posted in the current period.

Budget Execution

Reserving and committing funds, entering payment requests, and effecting payment transfers are some of the processes that belong to the execution of budgets in Funds Management. Controlling the availability of funds and defining tolerances leading to warnings or error messages are equally important.

The budget execution process is required to comply with the legal levels of budgetary authority by not allowing agencies to encumber funds in excess of the amounts appropriated by the Legislature.

Control levels required:

- No control

- Warning, but allowed (no email notification)

- Warning, but allowed (with email notification)

- Absolute (transactions only allowed if funds are available)

Budget Types

Generally speaking, budget estimates are differentiated according to their use though budget types. The following budget types are available:

- Original budget

  - The budget at the time of the first approval, that is, the budget not yet changed by corrective measures (supplements, returns, transfers, and so on).

- Budget carryforward

  - If budget amounts are carried forward from the previous budget year to the next, these budget amounts are identified separately from the budget amounts for the current year.

- Budget advance

  - If the law allows parts of next year's budget to be used in the current year, this advance appears as a separate budget type in the current year.

- Budget supplements

  - Supplements can be used to assign additional budget to Funds Management account assignments where, for example, these accounts are charged with unplanned, yet necessary tasks. Supplements are effected outside of the general budget creation process.

- Budget returns

  - If there are surplus funds in a specific account assignment, these funds can be returned to the higher-level Funds Management account assignments within their hierarchy.

- Budget transfers

  - Transfers help avoid funds bottlenecks by moving budget between elements of the budget structure. In the classical budgeting system, additional user-definable budget subtypes can be used to differentiate budget amounts according to an organization's needs.

Often, budgets are made available for expenditure only after corresponding revenue has been recognized. This is true for the already approved budget as well as for additional budget that was not part of the original approval. For such requirements, revenues increasing the budget (RIB) enable the State to define rules when and how such budget increases should take place. RIB allows the State to float budgetary authority up or down based on the cash available for a particular fund. It is expected that the State will utilize RIB for specific funds and budget. The specific items will be defined in Realization.

The SCEIS solution provides three different automated procedures for increasing the expenditure budget using revenues intended for a specific purpose:

- Document-based or totals-based distribution procedure

- Call procedure

- Manually creating budget increases

Integration

The entire purchasing process is integrated in the SCEIS solution. It begins with a purchase requisition, which is ultimately a request to the purchasing department for procurement of materials or services in the prescribed quantity at a particular time. If a specific budget line indicates a requirement, the system conducts a simultaneous check against the budget to ensure that sufficient funds are available. The available budget for this budget line is then reduced accordingly. The State will also create release strategies to determine the review and approval process for purchase requisitions. To make purchase order processing as simple as possible, most purchase orders are created by referencing data already available in the system. Once users have entered a purchase order, users can generate a budget report showing the current state of funds, including the reduction of any related purchase requisition amounts in the budget line to which the purchase order was assigned.

When goods are delivered or services rendered, an invoice is received that the person in charge must verify. To trigger payment of the invoice to the supplier, users create a payment request.

The system automatically checks for possible duplicate invoices to prevent duplicate payments. System security also ensures that only authorized personnel may make payments, and only after proper invoice approvals have been received. Additional controls can be established that require a three-way matching of the invoice with the initial purchase order and the receipt of materials or services. This ensures fully independent verification that the ordering of the materials or services was originally authorized, the organization received the materials or services ordered, and the invoice was properly entered and approved. Entry of a goods receipt generates the recognition of the expenditure and establishes the accrued liability.

The next step links invoice entry with invoice verification and the creation of a payment request or automatic payment of the invoice. Invoice verification automatically references the original purchasing information and the receipt of materials or services. When an invoice is posted, the system also checks whether funds remain available in the relevant budget line. The available funds for the budget line are adjusted if the amount of the invoice differs from the original purchase order or goods receipt. If a purchase order exists for this invoice, the purchase order item is also adjusted accordingly.

Earmarked Funds

Earmarked funds represent the link in the business processes of budgeting and accounting. Users can use earmarked funds functionality in Funds Management to reserve budgeted funds for a particular purpose. The SCEIS solution has functions especially designed to support all processes in this area. Integrated workflow functionality enhances the efficiency of these processes. There are a number of processes for earmarked funds in the SCEIS solution:

- Funds blocking - Funds blocking can be used to prevent the budget from being used by others. Users can later remove the funds block on some or all of the account assignments, thereby increasing the available budget.

- Funds reservation - Funds reservation can be used to reserve portions of the budget early, even if users do not yet know specifically what the budget will be used for or the exact timing. The funds reservation is a preliminary stage for funds precommitments and funds commitments.

- Funds precommitment - A funds precommitment can reference a funds reservation. At the time a funds precommitment is processed, more details are known about what the budget will be used for, but no definite contractual agreement has been made yet.

- Funds commitment - The funds commitment represents a specific purpose for use of the budget, as well as the accompanying contractual obligation (for example, purchase orders to be made to a supplier or other legal agreements). A funds commitment may or may not refer to a funds reservation or a funds precommitment. Additional information, such as the supplier or particular contract numbers, can also be referenced in the funds commitment.

A document in Funds Management has two functions:

- As part of active availability control, the document forms the basis for determining how much of the budget has been assigned.

- The document forms the basis for reporting. Periodic evaluations such as budget / actual comparison, line item reports, or workflow lists show the amounts still to be approved. Each document refers back to the original document, so that users can always drill down to the original document.

Year-End

Budgets are usually processed and controlled in relation to a particular fiscal year. This may require open documents to be reviewed and special provisions made, with emphasis on those transactions that must be addressed in subsequent years. The most important matter to consider is what to do with unused residual budgets, including whether to carry budgets forward to the next year. This may mean reassigning funds or changing the budgeting systems. If the invoice for some ordered goods is delayed or the payment period ends within the current year, users may have to assign the document to the next year.

The State will carry out periodic reviews of open commitments, as well as establish detailed rules prior to the carrying forward of commitments and budget, enabling a smooth transition to the next fiscal year.

The closing of a budget and opening of a new budget year also requires the timely availability of funds for planning for the new year activity. The budget amounts are generally known at least 3 weeks prior to the beginning of the next fiscal year (subject to final dispensation by the State legislature and Governor's Office). To the extent that these amounts are known, budgets will be loaded into the SCEIS solution in advance of the fiscal year. The process for making the budgets available for new year purchase order processing will be finalized during the implementation project. Multiple options exist for creating the documents and releasing the purchase orders either

prior to the fiscal year start or in a group at the start of the fiscal year. The project team is reviewing the appropriate policy to put in place as part of the implementation effort.

Certain agencies are required to reserve fund balances for open encumbrances at the end of a period. The SCEIS solution facilitates this accounting entry by summarizing the open commitments in Funds Management and automatically posting the reservation of fund balance entry to the related agencies and funds. This transfer program can be run at any time, with the financial accounting balances in the reserve account (and corresponding postings to unreserved fund balances) updated for any changes made to funds management commitments during the period. Open encumbrances at year-end, which result after attempts to clear or pay can be carry-forwarded to the next fiscal year and funding changed, as needed. This also updates the PR's and PO's accordingly so that matching in the new fiscal year reflects the changes in funding accordingly.

Process Flows

The business processes relating to the Funds Management sub-module include the following:

1. Budget Load. The budget load process begins in early summer when agencies begin preparing their detailed budget requests for a future fiscal year. Once completed the agencies submit their detailed budget request to the Budget and Control Board (BCB). The BCB compiles and submits the budget to the Governor for review. The Governor and BCB work together to arrive at a final Governor's version that is then submitted to the Legislature. The Legislature then debates the budget and passes its own version for the Governor's signature. The Governor then has the option of signing or using a line item veto to revise the Legislature's budget. The Legislature has the opportunity to override any veto. Once the final budget version is passed, the BCB loads the approved budget into the SCEIS solution at the Act level. Agencies are then required to validate the passed budget and make any adjustments necessary for budgetary control. Once budget is loaded and pushed to the appropriate level, transactions may occur against the fiscal year's budget.

Exhibit 2.5.2-1 Budget Load Process
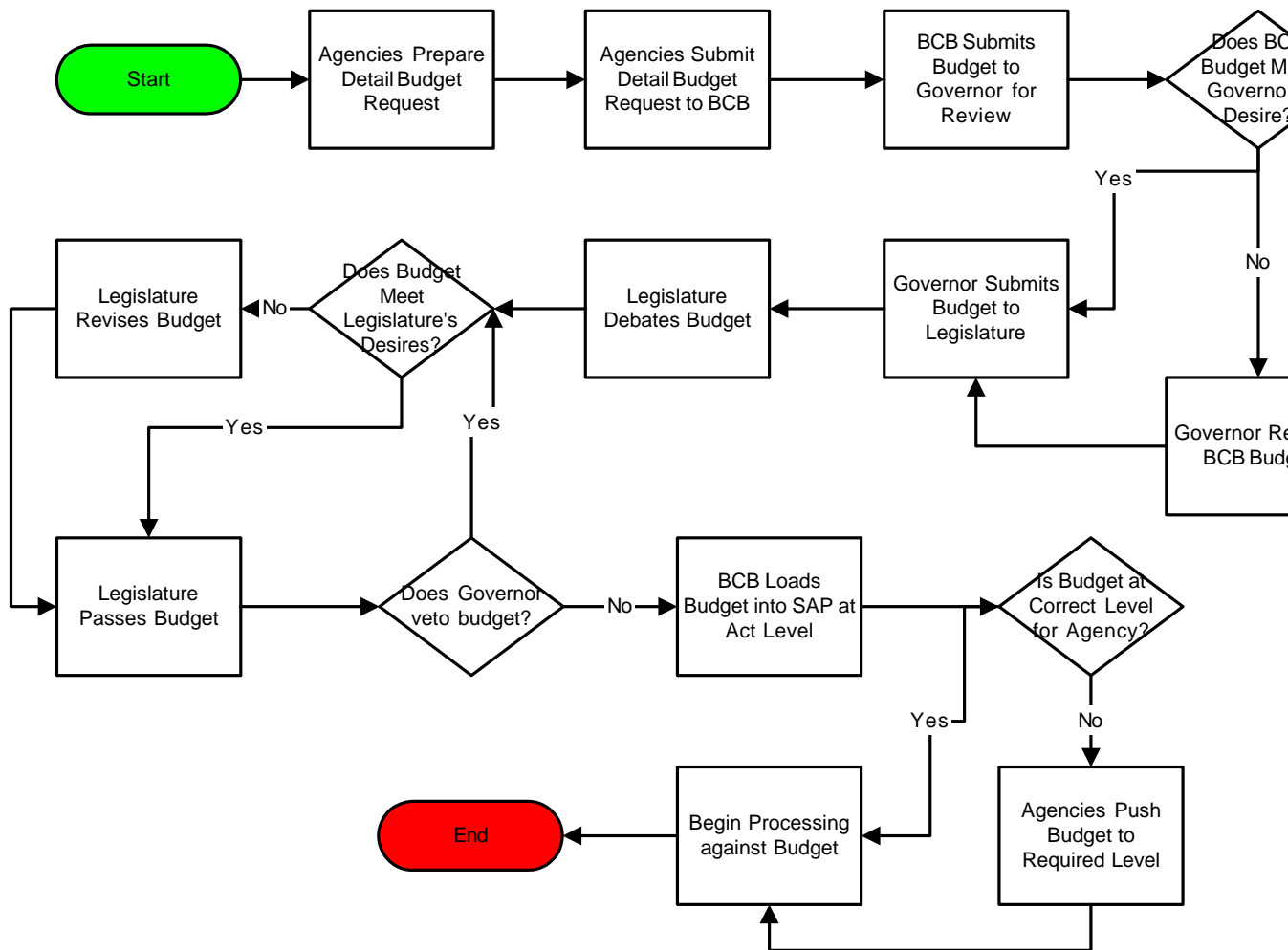
2. Budget Change. From time to time the legal budget needs to be amended. In order for that to occur, agencies must submit budget change requests to the BCB. Anyone can submit a budget change form to the BCB as long as it has the proper authorizations from within the agency prior to submittal. The authorization should at a minimum include a review as to whether the budget change form is valid, complete and accurate. Authorizations may include signature, e-mail, voicemail, etc. The form contains all of the pertinent data required to enter a budget change, including old coding block, valid new coding block and signature. Once BCB receives the form, BCB checks the form for completeness again and determines whether or not to approve the change request. If approved, BCB enters the budget change into the SCEIS solution. BCB scans the budget change form and attaches it to the SCEIS solution document. It is the responsibility of

BCB to notify the original requestor that the budget change is created and supply the requestor the document number. This notification should be electronic in nature and work-flowed to the B&C Board-Budget Office with any required supporting documentation attached via image so as to assure complete auditability.

Exhibit 2.5.2-2 Budget Change Process
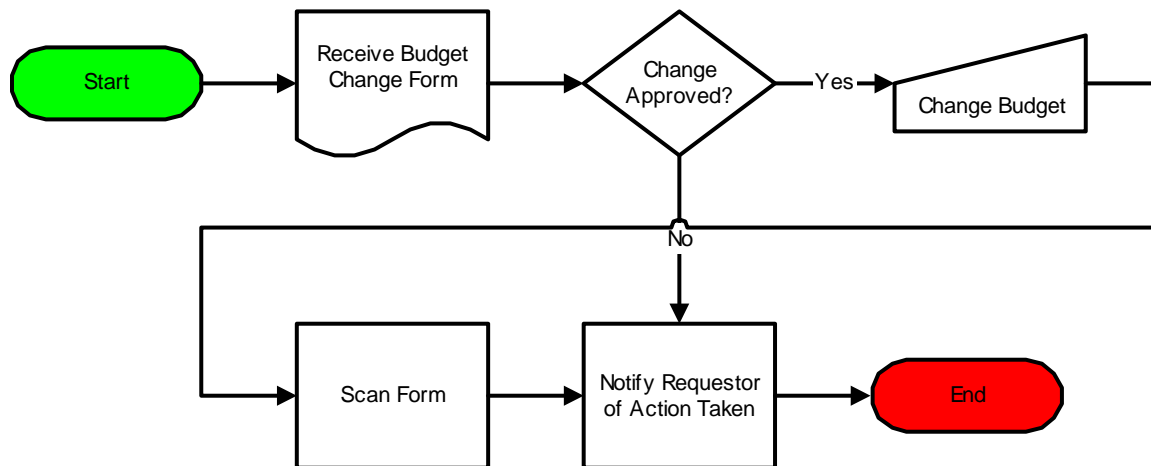
3. Funds Management Master Data Create. The creation of master data is very important to the SCEIS solution and should be centrally maintained and controlled. Any funds management additions to the master files should follow this process. The master data group receives a funds management master data creation form. Anyone can submit a funds management master data creation form as long as it has the proper authorizations from within the agency prior to submittal. The authorization should at a minimum include a review as to whether the funds management request is valid, complete and accurate. Authorizations may include signature, e-mail, voicemail, etc. The form contains all of the pertinent data required to enter a funds management element, including name, type, coding information, and signature. Once the master data group receives the form, they check the form for completeness again and validates that the funds management element does not already exist in the SCEIS solution. Then the master data group enters the funds management element into the SCEIS solution. The master data group scans the funds management master data creation form and attaches it to the SCEIS solution funds management element. It is the responsibility of the master data group to notify the

original requestor that the funds management element is created and supply the requestor the funds management element number. This notification should be electronic in nature so as to assure complete auditability.

Exhibit 2.5.2-3 Master Data Creation
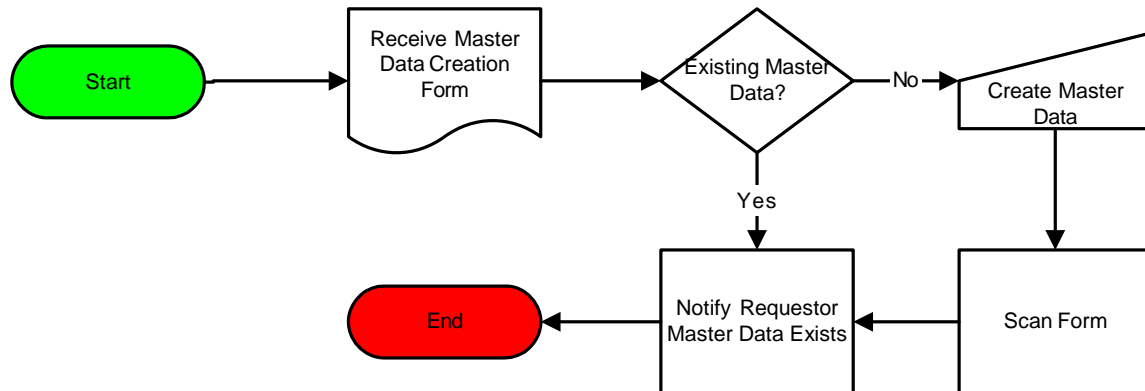
Benefits

The implementation of funds management functionality will serve to benefit the individual agencies as well as the central operations of the State. Through the Funds Management workshops, a number of initial benefits for the functions were identified. These include:

- The detailed budget submitted along with routine adjustments will flow electronically to the State Budget Office and once approved, can be posted to the system with limited further refinement necessary at the agency level

- No reconciliations between the detailed budget and the State's legal budget is necessary

- Agencies will be able to stretch out their work (busy times), rather than waiting for the actual budget to be loaded before they can process new year business

- Ability to monitor and report on encumbrances from a state-wide perspective

- Better and more timely reporting of budgetary data

Business Requirements

The following set of business requirements represent items that were discussed during the Business Blueprint workshops that can be classified in one of the following categories: 1)A new requirement (i.e. not identified in the original RFP); 2)A previous requirement that responding to

a solution that has changed significantly (i.e. grants); or 3)A previous requirement that should be reviewed carefully with the solution as it may not fall in line with the solution best practice. Please refer to the appendix of this document for the RFP requirements.

The Budget Office will have the ability to make changes as the budget request process unfolds, directly to the agency's budget without requiring any further intervention to load the State approved budget. Tools and transactions exist to load and adjust the budget within the SCEIS solution.

Any changes within the agency's operational authority will allow processing and posting in Controlling without State budget approval workflow. Transactions within the authority of the state agencies can be addressed through Controlling postings. Transactions that require Budget Office or Comptroller General approval will be processed as general ledger postings (journal entries) and workflowed or posted as appropriate.

Reporting detail on budget transactions, by state, agency, fund, program, expense category, etc. should be categorized in at least the following manner:

- Original appropriations

- Transfers

- Revisions

- Returns

- Carry forwards

- Supplemental appropriations

- Governor's veto

- Sequestered funds

- Allotments

- Capital projects

The State wishes to encumber funds at the earliest point available (normally at the requisition), where appropriate.

Reporting

The Funds Management workshops identified specific types of reporting needs for funds management activities. For funds management activity and inquiry, many of the reporting needs will be supported through the use of the Business Warehouse functionality. The workshop subject matter experts from the State identified the following reporting requirements from funds management functions:

Report Name	Description	Standard Report
Funds Center Hierarchy	This report shows the funds center hierarchy structure for budgetary purposes. It allows users to validate their organizational budgetary structures.	Funds Center Hierarchy
Commitment Item Hierarchy	This report shows the commitment item hierarchy structure for budgetary purposes. It allows the State to validate their revenue and expenditure budgetary structures.	Display Commitment Item Hierarchy
Listing of Funds	This report lists all funds alphabetically.	Fund List
Functional Area List	This report lists all functional areas alphabetically.	Functional Area List
Funded Program List	This report lists all funded programs alphabetically.	Funded Program
Fiscal Year Budget	This report identifies the system budget by user-defined parameters. Budget can be broken down by fund, funds center, functional area, commitment item and funded program; and then further broken down by current budget, original budget, returns, supplements, transfers sent and transfers received.	Budget Overview
Budget Availability	This report identifies yearly budgetary consumption. Further breakdowns can occur by fund, funds center, functional area, commitment item and funded program. Additionally, budget is viewed by budget consumed, budget available, current budget and commitments.	Budget Consumption
Compare Commitments to Actuals	This report identifies current year commitments (revenues and expenses) to actuals. Further breakdowns can occur by fund, funds center, functional area, commitment item and funded program.	Compare Commitments to Actuals

InfoCubes represent predefined sets of data that will be accessible for authorized users from the SCEIS Business Warehouse. The InfoCubes contain information that is transferred from the production system into a repository on a predefined basis. The InfoCubes are standard within the solution and will be reviewed by the project team to confirm applicability for the specific functional reporting needs as identified above.

InfoCube Name	Purpose/Description
Commitment/Actuals and Budget in Funds Management (BCS)	This cube contains the transaction data on budget of the Budget Control System and commitment/actual postings.
Commitment/Actuals and Budget in Funds Management (Historical)	This cube contains the transaction data on the historical budgeting budget (overall budget, annual budget, periodic budget) and for the assigned funds, as well as commitments/actuals postings. This cube may not be necessary due to the new functionality available in BCS as opposed to the former budgeting tools.

Workflow

If a data entry clerk has parked a document, the clerk can manually contact the appropriate supervisor for approval of the parked document or use the SCEIS solution workflow capability. Listed below are the benefits of utilizing workflow:

- A tool for increasing the efficiency of office communication and organization

- Allows automated document release (posting the document) and/or approval procedures involving two persons

- Increases efficiency of business processes by linking tasks to employees or departments within the organization

- Reduces time and cost in managing business processes by coordinating people, work steps and the data to be processed

- Increases transparency and quality

Through workflow, multiple approval processes can be configured. When a document is parked, it is triggered by threshold amounts for release to be approved. However, only three levels of amount approvals are possible. The amount-based release procedure will determine which person of responsibility should be notified (the approval path between employees or organizational departments must be configured), and the system will automatically place a message in the approver's mailbox to review the parked document. Upon review, the approver can complete (insert additional required information), approve or reject the parked document. If rejected, a mail message will be sent to the originator of the parked document. If completed, the parked document is ready to be posted (called "release" in workflow).

If certain information is not available during document creation, the document can be saved as a held document. As with a parked document, when a held document is saved, no financial

accounting entries are posted. Holding a document differs from parking a document in the following ways:

- The User assigns a temporary document number to the held document, which is controlled by the User ID. Others cannot view or change this held document.

- Held documents cannot be viewed in account display. Held documents can only be displayed during standard document entry time using the Open Held Document push-button.

The State will use workflow to facilitate the following funds management processes.

- Budget Loads

- Budget Changes

- Budget Transfers

Imaging

Imaging requirements have been identified for the documents that impact the funds management processes. Imaging within Funds Management refers to the scanning and capturing of information that is required to be maintained for the accounting document based on specified business rules or other requirements. The following table identifies the types of documents and information to be included in the imaging process and the point in the process to which the imaging activities would generally occur.

Scanned Documentation	Approval Process	Imaging Integration Point
Budget Load Form	Yes	The budget load form may or may not require approval depending on the finalized process.
Budget Change Form	Yes	The budget change forms will be attached as part of the transactions posted within the solution.
Budget Transfer Form	Yes	Transfers requested by the agencies for required movement of budget will provide for the forms to be attached. The approval for transfer may not be required based on the responsibilities for entry of the transfer according to state policies.

Scanned Documentation	Approval Process	Imaging Integration Point
Budgetary Master Data Form	Yes	Agency personnel would submit the form request to the Comptroller Generals Office and Budget and Control Board, as appropriate for the creation of new funds, funds centers, and funded programs.

User Roles

Based on the business processes supporting Funds Management, the following standard roles have been identified.

User Role	Description
Central Funds Management Master Record Maintenance	Users will be able to create and maintain master data including funds, funds centers, functional areas, commitment items, funded programs and grants.
Central Funds Management Accountant	Users will be able to process funds management documents including budget loads, budget changes and budget transfers. Users will not be able to approve Funds Management documents or perform closing activities.
Central Funds Management Supervisor	Users will have access to view and approve all funds management documents including budget loads, budget changes and budget transfers. Users will not be able to create Funds Management documents or perform closing activities.
Central/Agency Funds Management Accountant	Users will be able to process funds management documents including budget changes and budget transfers specific to their agencies. Users will not be able to approve funds management documents or perform closing activities.
Central/Agency Funds Management Supervisor	Users will have access to view and approve all funds management documents including budget changes and budget transfers specific to their agencies. Users will not be able to create funds management documents or perform closing activities.
Central Funds Management Periodic Posting	Users can perform periodic posting functions such as creating carryforward documents and running the carryforward program.
Agency Funds Management Viewer	Users will be able to execute funds management reports to include funds management account balances.
Central Funds Management Closer	Users can perform all funds management closing activities.